

1 A. KRISTINA LITTMAN (NJ Bar No. 04350-2005)
2 STEVEN D. BUCHHOLZ (Cal. Bar No. 202638)
3 buchholzs@sec.gov
4 MARC D. KATZ (Cal. Bar No. 189534)
5 katzma@sec.gov
6 ALICE L. JENSEN (Cal. Bar No. 203327)
7 jensena@sec.gov

UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

SAN FRANCISCO DIVISION

SECURITIES AND EXCHANGE COMMISSION,

Case No. 3:20-cv-04190-RS

Plaintiff,

V.

JACK ALAN ABRAMOFF.

Defendant.

JUDGMENT AS TO DEFENDANT JACK ALAN ABRAMOFF

The Securities and Exchange Commission having filed a Complaint and Defendant Jack Alan Abramoff (“Defendant”) having entered a general appearance; consented to the Court’s jurisdiction over Defendant and the subject matter of this action; consented to entry of this Judgment; waived findings of fact and conclusions of law; and waived any right to appeal from this Judgment:

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act of 1934 (the “Exchange Act”) [15 U.S.C. § 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5], by using any means or instrumentality of

interstate commerce, or of the mails, or of any facility of any national securities exchange, in connection with the purchase or sale of any security:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or
- (c) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Judgment by personal service or otherwise: (a) Defendant's officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Defendant or with anyone described in (a).

II.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is permanently restrained and enjoined from violating Section 17(a) of the Securities Act of 1933 (the “Securities Act”) [15 U.S.C. § 77q(a)] in the offer or sale of any security by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to obtain money or property by means of any untrue statement of a material fact or any omission of a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or
- (c) to engage in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser.

1 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in
2 Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following
3 who receive actual notice of this Judgment by personal service or otherwise: (a) Defendant's
4 officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or
5 participation with Defendant or with anyone described in (a).

6 III.

7 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
8 Defendant is permanently restrained and enjoined from violating Section 5 of the Securities
9 Act [15 U.S.C. § 77e] by, directly or indirectly, in the absence of any applicable exemption:

10 (a) Unless a registration statement is in effect as to a security, making use of any
11 means or instruments of transportation or communication in interstate
12 commerce or of the mails to sell such security through the use or medium of
13 any prospectus or otherwise;

14 (b) Unless a registration statement is in effect as to a security, carrying or causing
15 to be carried through the mails or in interstate commerce, by any means or
16 instruments of transportation, any such security for the purpose of sale or for
17 delivery after sale; or

18 (c) Making use of any means or instruments of transportation or communication in
19 interstate commerce or of the mails to offer to sell or offer to buy through the
20 use or medium of any prospectus or otherwise any security, unless a
21 registration statement has been filed with the Commission as to such security,
22 or while the registration statement is the subject of a refusal order or stop order
23 or (prior to the effective date of the registration statement) any public
24 proceeding or examination under Section 8 of the Securities Act [15 U.S.C. §
25 77h].

26 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in
27 Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following
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1 who receive actual notice of this Judgment by personal service or otherwise: (a) Defendant's
2 officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or
3 participation with Defendant or with anyone described in (a).

4 IV.

5 **IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED** that
6 Defendant is permanently restrained and enjoined from violating Section 15(a) of the
7 Exchange Act [15 U.S.C. § 78o(a)] by, directly or indirectly, through use of the means or
8 instruments of transportation or communication in interstate commerce or the mails, acting as
9 a broker and/or effecting transactions in, and inducing or attempting to induce the purchase or
10 sale of, securities (other than an exempted security or commercial paper, bankers' acceptances
11 or commercial bills) without being registered with the Commission in accordance with
12 Section 15(b) of the Exchange Act [15 U.S.C. § 78o(b)].

13 **IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that, as provided in
14 Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following
15 who receive actual notice of this Judgment by personal service or otherwise: (a) Defendant's
16 officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or
17 participation with Defendant or with anyone described in (a).

18 V.

19 **IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED** that
20 pursuant to Section 21(d)(5) of the Exchange Act [15 U.S.C. § 78u(d)(5)], Defendant is
21 permanently restrained and enjoined from directly or indirectly, including, but not limited to,
22 through any entity owned or controlled by Defendant, participating in the issuance, purchase,
23 offer, or sale of any securities, provided however, that such injunction shall not prevent
24 Defendant from purchasing or selling securities for his own personal account.

25 **IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that, as provided in
26 Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following
27 who receive actual notice of this Judgment by personal service or otherwise: (a) Defendant's
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1 officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or
2 participation with Defendant or with anyone described in (a).

3 VI.

4 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that,
5 pursuant to Section 21(d)(2) of the Exchange Act [15 U.S.C. § 78u(d)(2)] and Section 20(e)
6 of the Securities Act [15 U.S.C. § 77t(e)], Defendant is prohibited from acting as an officer or
7 director of any issuer that has a class of securities registered pursuant to Section 12 of the
8 Exchange Act [15 U.S.C. § 78l] or that is required to file reports pursuant to Section 15(d) of
9 the Exchange Act [15 U.S.C. § 78o(d)].

10 VII.

11 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
12 Defendant is liable for disgorgement of \$50,000, representing profits gained as a result of the
13 conduct alleged in the Complaint, together with prejudgment interest thereon in the amount of
14 \$5,501.40, for a total of \$55,501.40. Defendant shall satisfy this obligation by paying
15 \$55,501.40 to the Securities and Exchange Commission within 30 days after entry of this
16 Judgment.

17 Defendant may transmit payment electronically to the Commission, which will
18 provide detailed ACH transfer/Fedwire instructions upon request. Payment may also be
19 made directly from a bank account via Pay.gov through the SEC website at
20 <http://www.sec.gov/about/offices/ofm.htm>. Defendant may also pay by certified check, bank
21 cashier's check, or United States postal money order payable to the Securities and Exchange
22 Commission, which shall be delivered or mailed to

23 Enterprise Services Center
24 Accounts Receivable Branch
25 6500 South MacArthur Boulevard
26 Oklahoma City, OK 73169
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and shall be accompanied by a letter identifying the case title, civil action number, and name of this Court; the Defendant's name as a defendant in this action; and specifying that payment is made pursuant to this Judgment.

Defendant shall simultaneously transmit photocopies of evidence of payment and case identifying information to the Commission's counsel in this action. By making this payment, Defendant relinquishes all legal and equitable right, title, and interest in such funds and no part of the funds shall be returned to Defendant.

The Commission shall hold the funds (collectively, the “Fund”) and may propose a plan to distribute the Fund subject to the Court’s approval. The Court shall retain jurisdiction over the administration of any distribution of the Fund. If the Commission staff determines that the Fund will not be distributed, the Commission shall send the funds paid pursuant to this Judgment to the United States Treasury.

The Commission may enforce the Court's judgment for disgorgement and prejudgment interest by moving for civil contempt (and/or through other collection procedures authorized by law) as set forth in paragraph IX below. Defendant shall pay post-judgment interest on any delinquent amounts pursuant to 28 U.S.C. § 1961.

VIII.

Upon motion of the Commission, the Court shall determine whether it is appropriate to order a civil penalty pursuant to Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)] and Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)], and, if so, the amount of the civil penalty. In connection with the Commission's motion for a civil penalty, and at any hearing held on such a motion: (a) Defendant will be precluded from arguing that he did not violate the federal securities laws as alleged in the Complaint; (b) Defendant may not challenge the validity of this Consent or the Judgment; (c) the allegations of the Complaint shall be accepted as and deemed true by the Court; and (d) the Court may determine the issues raised in the motion on the basis of affidavits, declarations, excerpts of sworn deposition or investigative testimony, and documentary evidence, without regard to the standards for

1 summary judgment contained in Rule 56(c) of the Federal Rules of Civil Procedure. In
2 connection with the Commission's motion for a civil penalty, the parties may take discovery,
3 including discovery from appropriate non-parties.

4 IX.

5 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, for purposes of
6 exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. § 523, the
7 allegations in the Complaint are true and admitted by Defendant, and further, any debt for
8 disgorgement, prejudgment interest, civil penalty or other amounts due by Defendant under
9 this Judgment or any other judgment, order, consent order, decree or settlement agreement
10 entered in connection with this proceeding, is a debt for the violation by Defendant of the
11 federal securities laws or any regulation or order issued under such laws, as set forth in
12 Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. § 523(a)(19).

13 X.

14 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall
15 retain jurisdiction of this matter for the purposes of enforcing the terms of this Judgment.

16 XI.

17 There being no just reason for delay, pursuant to Rule 54(b) of the Federal Rules of
18 Civil Procedure, the Clerk is ordered to enter this Judgment forthwith and without further
19 notice.

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21 Dated: July 15, 2020

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23 
24 UNITED STATES DISTRICT JUDGE
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